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TO: Economic Support Supervisors  
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Training Staff  
Child Care Coordinators  
W-2 Agencies  
Workforce Development Boards  
Job Center Leads and Managers

FROM: Amy Mendel-Clemens  
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**BHCE/BWP OPERATIONS MEMO**

No: 04- 02

DATE: 01/23/2004

FS ☐ MA ☒ SC ☐ CTS ☐

CC ☐ W-2 ☐ FSET ☐

EA ☐ CF ☐ JAL ☐ JC ☐

RAP ☐ WIA ☐ WtW ☐

Other EP ☐ ★

PRIORITY: HIGH

SUBJECT: Medicaid Average Nursing Home Private Pay Rate

**CROSS REFERENCE:** MA Handbook 14.5.0

**EFFECTIVE DATE:** February 1, 2004

**PURPOSE**

This memo provides the updated average nursing home private pay rate.

**BACKGROUND**

The average nursing home private pay rate is used to determine the length of the Medicaid divestment penalty period. The divested amount is divided by the average nursing home private pay cost per month; the resulting whole number quotient of that equation is the number of months the individual is penalized for the divestment.

The average nursing home private pay rate is derived from data presented in the annual report, "Wisconsin Nursing Homes and Facilities for the Developmentally Disabled". This report summarizes statistical information about Wisconsin nursing homes and their residents. The source of the data in this report is the 2002 Annual Survey of Nursing Homes, which was

conducted by the Wisconsin Department of Health and Family Services, Division of Health Care Financing.

## **DISCUSSION**

To determine the average private pay rate for nursing homes in Wisconsin, we consider the private pay daily rate at the four most common levels of care. We take into account the number of residents at each level of care as of December 31, 2002 to arrive at a weighted average. The average daily rate is then converted to a monthly amount.

	Per Diem Cost	Residents on 12/31/02	Weighted Average	
Intensive Skilled Nursing	\$177	91	16,107	
Skilled Nursing Facilities	\$159	5692	905,028	
Intermediate Care Facilities	\$147	248	34,456	
Limited Care Facilities	\$118	17	2006	
Totals		6,048	959,597	\$158.66
Weighted Average Private Pay Cost/Month				\$4,827.00

## **NEW AMOUNT**

The new average nursing home private pay rate is \$4,827.00. Beginning February 1, 2004, use the new amount when determining all new divestment penalty periods.

A revision to the MA handbook will be made in a future release.

## **CARES**

A CARES reference table change will be made to use the new amount for divestment penalty calculations beginning February 1, 2004.

## **CONTACTS**

BHCE CARES Information & Problem Resolution Center

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Note: Email contacts are preferred. Thank you.

★Program Categories – FS – Food Stamps, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WtW – Welfare to Work, WIA – Wisconsin Investment Act, Other EP – Other Employment Programs.